

*The views expressed in this presentation are the views of the author/s and do not necessarily reflect the views or policies of the Asian Development Bank, or its Board of Governors, or the governments they represent. ADB does not guarantee the accuracy of the data included in this presentation and accepts no responsibility for any consequence of their use. The countries listed in this presentation do not imply any view on ADB's part as to sovereignty or independent status or necessarily conform to ADB's terminology.*

# ADB Safeguard Policy Review and Update: Pollution Prevention and Abatement Study

## REGIONAL CONSULTATIONS

---

25-26 November & 1 December 2021



**SAFEGUARD  
POLICY REVIEW  
AND UPDATE**

**ADB**



The Safeguard Policy Review and Update Phase II consultations intend to provide opportunities for stakeholders to express their views and opinions on ADB's environment and social safeguards in the most meaningful and safe manner.

All stakeholders are encouraged to articulate any project-related input and concerns they have during the consultation sessions, all of which will be recorded and duly documented during each event proper, allowing ADB to review, consider and respond to, if necessary. Background materials on the thematic areas have been released for the reference of participants in preparation for the dialogues.

All types of project feedback are welcome and will not be used to lead to any retaliation, abuse, or any kind of discrimination. Written session documentations containing the summary of feedback will be open for review by participating stakeholders prior to disclosure to the public to ensure the comfort and safety of stakeholders, and the accuracy and transparency of proceeding records.

If you have any issues or concerns on confidentiality, potential risks, abuse, or any kind of discrimination during the course of the consultations, please get in touch with the SPRU Secretariat through [safeguardsupdate@adb.org](mailto:safeguardsupdate@adb.org).

# Gentle Reminders



SAFEGUARD  
POLICY REVIEW  
AND UPDATE

ADB

- ✓ If possible, join from a quiet, distraction-free area
- ✓ Ensure your audio and video are working
- ✓ Put your microphone on mute when you are not speaking
- ✓ Virtually raise your hand on the Zoom feature to raise a point or question
- ✓ Be respectful to other joining participants
- ✓ Be conscious of time as per the agreed agenda



# AGENDA



SAFEGUARD  
POLICY REVIEW  
AND UPDATE

ADB

- 1. Introduction** (5mins)  
Azim Manji, Session Moderator and Stakeholder Engagement Team Leader
- 2. Session 1:** Welcome and Overview of the Safeguard Policy Statement (2009) and Update Process (10mins)  
Bruce Dunn, Director, Safeguards Division (SDSS)
- 3. Session 2:** Presentations on ADB Safeguards for Pollution Prevention and Abatement (15 mins)  
Duncan Lang, Senior Environment Specialist, Safeguards Division (SDSS),
- 4. Session 3:** Moderated Discussion (75 minutes)  
Moderated by Francesco Ricciardi, Senior Environment Specialist, Safeguards Division (SDSS),
- 5. Event Evaluation** (5 minutes)
- 6. Wrap up** (5 minutes)  
Bruce Dunn

# Session 1: Welcome and Overview of the Safeguard Policy Statement (2009)

Bruce Dunn, Director, Safeguards Division



SAFEGUARD  
POLICY REVIEW  
AND UPDATE

ADB

# ADB Safeguard Policy Update

## Rationale and Approach

- **ADB Safeguard Policy Statement, (SPS) 2009 – more than a decade old**
- **Changing development trends and client needs in Asia-Pacific**
- **Need to increase focus on risks and vulnerabilities** (e.g., Public health, climate change, biodiversity, labor issues, gender, vulnerable and disadvantaged groups, sexual exploitation, abuse and harassment risks, civil society space)
- **Financing modalities evolving** (e.g., Private sector lending, results-based lending, financial intermediaries, equity investments, bond markets etc.)
- **Consideration of country context:** (e.g. working in fragile and conflict affected situations and small island developing states)
- **Policy gaps between ADB SPS and other multilateral financing institutions** and opportunities for increased convergence
- **Need to strengthen implementation, oversight and capacity support**

***Update informed by ADB Independent Evaluation Department (IED)***

***[Corporate Evaluation of the Effectiveness of 2009 Safeguard Policy Statement \(May 2020\)](#)***

# Safeguards Policy Review and Update (SPRU)

## Approach and Methodology

**Policy update time frame: 2.5 years - August 2020 to March 2023**

### Implementation phases:

- 1. Policy update planning (August 2020 - June 2021):**
  - [Background Information Paper](#) (November 2020).
  - [Stakeholder Engagement Plan](#) (April 2021, updated July 2021)
  - [Preliminary information sessions](#) and outreach (May-July 2021)
- 2. Analytical Studies (December 2020 – June 2022):**
  - Policy architecture, benchmarking standards / thematic issues
  - Review implementation experience
- 3. Policy preparation (April 2022 - March 2023):**
  - Working paper for ADB Board consideration (October 2022)
  - Final ADB Board approval (March 2023)
- 4. Policy roll out (2023-2024):**
  - Implementation guidance, staff instructions, good practice notes,
  - Training and capacity building for staff and clients

Stakeholder  
Engagement &  
Consultation



# **Session 2: Pollution Prevention and Abatement – Study Summary**

Duncan Lang, Senior Environment Specialist, Safeguards Division



**SAFEGUARD  
POLICY REVIEW  
AND UPDATE**

**ADB**



# Presentation Overview

ADB

1. Study objectives, approach and methodology
2. Existing policy and implementation challenges
3. Findings from MFI comparator analysis
4. Areas for further consideration and emerging issues
5. Key messages



# Safeguards Policy Update

## Objective of the Study



- Assessment of ADB's **current approach to pollution abatement and resources conservation**, including elements covered through other ADB strategies and policies.
- Review of the scope, coverage and implementing procedures of other **Multilateral Finance Institutions (MFIs)** in the area of pollution prevention and abatement.
- Identification of sub-topics and issues that may require additional attention as ADB updates its safeguards framework.



# Pollution Prevention and Abatement

## Approach and Methodology



- Review of the safeguards frameworks and linked guidance of ADB and comparator MFIs: AfDB, AIIB, EBRD, IDB, IFC and World Bank
- Assessed key differences in policy scope and coverage
- Emerging issues and topics for further consideration in ADBs revised safeguards framework



# Pollution Prevention and Abatement

## Safeguards Policy Statement 2009

### **I. Pollution Prevention, Resource Conservation, and Energy Efficiency**

- Apply internationally recognized standards such as the World Bank Group Environment, Health and Safety (EHS) (2007) Guidelines
- Between national and WB EHS – most stringent standards to be applied. Less stringent subject to justification.
- Follow mitigation hierarchy in terms of project impacts from pollutant emissions and discharges
- Employ resource efficiency
- In degraded areas where project impacts will be significant – offsets should be introduced

### **2. Wastes**

- Follow the mitigation hierarchy with respect to waste production
- Treat destroy and dispose in environmentally sound manner
- Segregate hazardous waste and dispose in appropriate manner

# Pollution Prevention and Abatement

## Safeguards Policy Statement 2009

### 3. Hazardous Materials

- Avoid manufacture and use of hazardous substances subject to international bans and phaseouts.
- Prohibited Investment Activities List- Use of cement-bonded Asbestos restricted to <20% .

### 4. Pesticide Use and Management

- Health and environment risks associated with pest management should be minimized
- No use of products that fall in WHO Pesticide Hazard Classes Ia or Class II.
- Disposal following international good practice such as FAO Code of Conduct

### 5. Greenhouse Gas Emissions

- Project emissions- threshold **100,000 tCO<sub>2</sub>eq/yr** - evaluate options to reduce or offset project emissions.
- Promote reduction of project related GHG emissions

# Pollution Prevention and Abatement

## Implementation Challenges for the SPS



- **Interpretation of the technical standards** that must be applied and the difficulty in doing so across all pollutants
- **Relationships and synergistic social and environmental impacts** not captured in safeguard assessments
- **Air Quality:** SPS lacks clarity and guidance on how to follow interim target limits set in the WB EHS Guideline which follow the World Health Organization (WHO) ambient guidelines.
- **Noise:** WB EHS Guidelines indicate to apply WHO based standards and not national standards



# Findings from Comparator Analysis

## Differences and Gaps in Scope and Coverage



- **Lower thresholds for CO2 emissions** - MFIs have moved to lower values -25,000 tons CO2 equivalent per year and continuous improvement plans for the operational phase
- **Greenhouse Gases:** Thresholds to trigger additional assessment for and alternatives to GHG
- **Disposal of hazardous and non-hazardous wastes** have requirements for Chain of Custody
- **Transboundary movement of hazardous waste:** MFIs have consideration of limitations under applicable international conventions
- **Early assessment of wastes** to be produced in all phases of the project
- **Water use and water balance:** MFIs have introduced thresholds to trigger assessment
- **Ongoing monitoring and reporting** of projects after financial close

# Existing MFI Practices For Further Consideration



- **Separate Standard** for pollution prevention and abatement with supporting technical guidance
- **WB EHS Guidelines** to be continued with additional clarification on its application and alignment with Global International Industry Practices
- **Introduce benchmarking data** for improving water use and energy efficiency and detailed water balance for high water demand projects
- **Greenhouse Gases** avoidance or minimization of project-related GHG emissions and review of existing thresholds
- **Noise standards:** Consideration of WHO separate noise limits for road, traffic, railway, aircraft and wind turbines
- **Air quality:** Use of more stringent standards for air quality and thresholds for significant emissions within an airshed



# Emerging Issues

## Preliminary Findings for Stakeholder Discussion



- **Emerging Air Pollutants** such as ultrafine particulate matter (PM<sub>0.1</sub>) and PM<sub>1</sub>
- **Water contaminants of emerging concern** including Pharmaceuticals and Personal Care Products, nanomaterials, and microplastics
- **Circular Economy** approaches to manage resources and reduce emissions and waste
- **Annual reporting on GHG emissions** from projects with a set threshold of CO<sub>2</sub> emissions
- **Waste** early assessment of waste type and quantities to cover all stages of the project cycle
- **Vibration** standards for assessing human exposure and response to vibration impacts, and trigger values for damage to infrastructure due to vibration impacts.

# Key Messages

- I. ADB SPS generally covers most of the aspects set out in other MFI approaches – but needs an update to enhance the policy and provide greater clarity for implementation**
- II. Other MFIs largely follow sub-standards model including one with respect to pollution prevention and abatement and resource efficiency**
  - ADB would like to develop specific standard for Pollution Prevention and Abatement and Resource Efficiency as part of overall Safeguard Policy Update
  - Proposed standard should link to the standards for integrated environmental and social assessment
  - ADB will need to supplement the policy with updated guidance material
  - ADB is considering continued use of WBG EHS Guidelines, but with additional clarifications on its application.
- III. Policy will need to place greater requirements on borrowers/clients to achieve effective conservation of resources, reduction of pollution and consider revised requirements on water balance, air quality assessment and noise.**
- IV. Opportunity to introduce the concept of Circular Economy into ADB Safeguard processes**

# Session 3: Moderated Discussion

Moderator: Francesco Ricciardi, Senior Environment Specialist, Safeguards Division (SDSS)



SAFEGUARD  
POLICY REVIEW  
AND UPDATE

ADB

# Discussion Guidance

## Round 1

1. Please share any perspectives or recommendations for improving ADB safeguard policy with respect to pollution prevention and abatement and resource efficiency.

## Round 2

1. Which aspects of peer pollution prevention and abatement policies should ADB support / continue to support?
2. Which aspects of peer pollution prevention and abatement do you think ADB should take a different approach on?
3. How could ADB better work with its clients (developing member countries and private sector) and CSOs to avoid impacts through early intervention and during implementation?
4. Are there good practices outside of MFIs that ADB should be looking at with respect to pollution prevention and abatement as well as resource efficiency and GHG emissions.

# Sequence for Q&A

**1<sup>st</sup> sequence** – Open for statements and sharing of perspectives and recommendations (raised hands to speak)

**2<sup>nd</sup> sequence** – Questions sent in advance (through Zoom registration)

**3<sup>rd</sup> sequence** – Questions posted on the chat box and participants raising hands will be called in batches

# Quick Poll

ADB

From 1 (not effective) to 5 (highly effective),  
how would you rate the effectiveness of this consultation?

Quick written feedback via [www.menti.com](http://www.menti.com)



SAFEGUARD  
POLICY REVIEW  
AND UPDATE

# Wrap Up and Synthesis

Bruce Dunn, Director, Safeguards Division



SAFEGUARD  
POLICY REVIEW  
AND UPDATE

ADB

THANK YOU!

GET  
INVOLVED

Please send us  
your feedback and  
suggestions



SAFEGUARD  
POLICY REVIEW  
AND UPDATE

<https://www.adb.org/who-we-are/about/safeguard-policy-review>

**WEBPAGE**

<https://www.facebook.com/ADBsafeguardreview>

**FACEBOOK PAGE**

[safeguardsupdate@adb.org](mailto:safeguardsupdate@adb.org)

**E-MAIL**

